

ABSTRACT OF THE DISCLOSURE

A web-based automated settlement system and method provides on-line access to a settlement system that maintains the offers of the parties confidential unless and until certain negotiation conditions arise. A first party registers the dispute on the web-site and enters information concerning the parties and the dispute, including the e-mail addresses of the parties. The first party can elect a split and settle option in which the underlying software automatically calculates a mid-point dollar amount between two non-confidential offers made by the parties prior to registering the dispute. Settlement is reached if the other party also selects the split and settle option. Alternatively, the first party enters a dollar amount offer and a proximity test value. The underlying software calculates a disclosure dollar amount based on the offer and the proximity test value. If the other party tenders a counter-offer within the disclosure dollar amount, the parties are notified by e-mail of the offer and counter-offer. A contract executed by the parties upon registration of the dispute makes the disclosed offer and counter-offer binding on the respective party. The offers are maintained confidential unless and until the negotiation condition is met.